



South-East and East European Gas Platform (SEEGAS)

**Barriers for market integration:
interconnection points**

15 December 2020

EU rules implementation creates new opportunities



LAUNCH OF SHORTHAUL SERVICE

Starting from the beginning of the year, **6.1 billion cubic meters** of gas.

FIRST GAS TRANSIT FROM GREECE TO UKRAINE

August 2020 the first transit was done via **Trans-Balkan gas corridor** in South-to-North direction – from Greece to Ukraine. More volumes were transported later in October.

LAUNCH OF VIRTUAL INTERCONNECTION POINTS AND VIRTUAL REVERSE

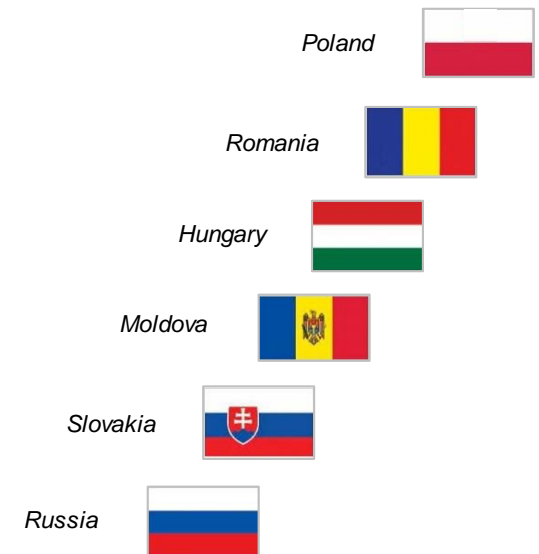
VIP Bereg – operational from 1 May 2020;
VIP UA-PL – operational from 1 July 2020.

Creation of two VIPs allowed to import 3.6 bcm in form of backhaul, not physical transportation.
 Launch of the virtual reverse in IP Uzhgorod/VK allowed to import **additional** 3.1 bcm in form of backhaul and inject the gas into storage facilities.

FULL IMPLEMENTATION OF CAPACITY AUCTIONS

Starting from 1st October 2020 all capacity allocation at cross-border IPs is done through the auctions, including daily and within-day capacity. Auction results are available on TSO website.

INTERCONNECTION AGREEMENTS (IAs) SIGNED

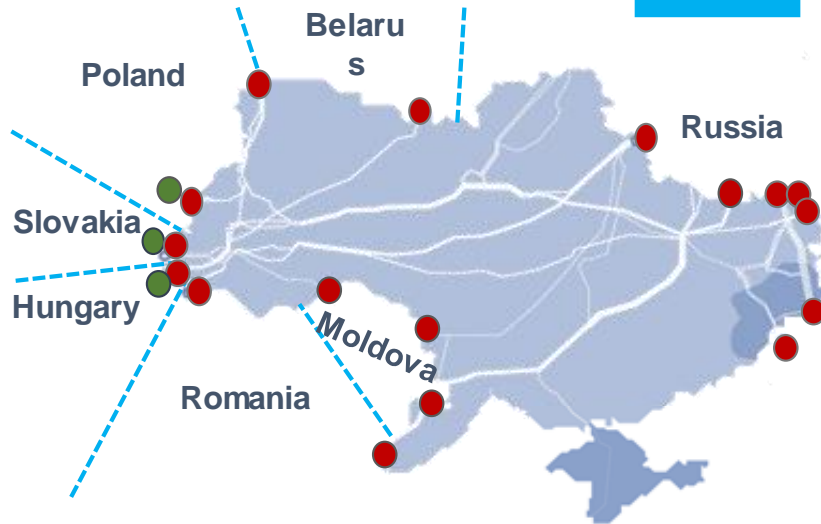


IMPLEMENTATION OF EU NETWORK CODES

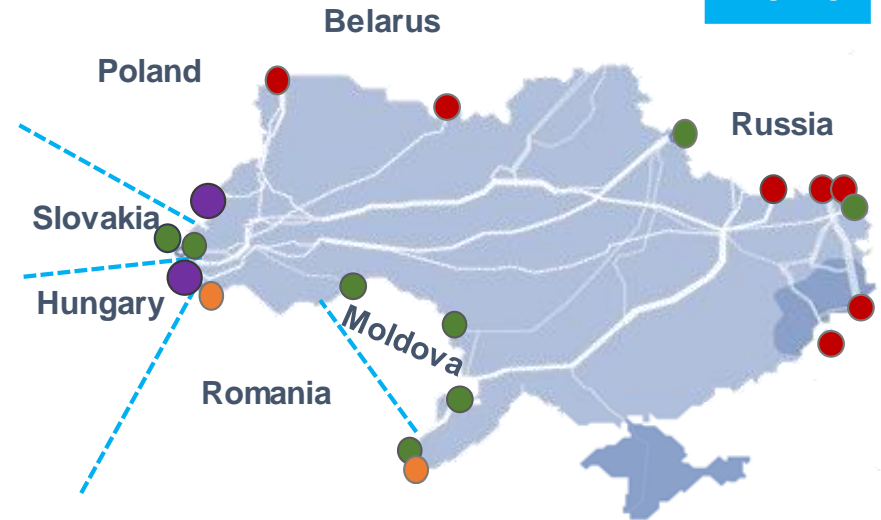
NC INT – from 2015 on import IPs, from 1 Jan 2020 on all IPs
NC CAM – from gas year 2020-2021 on all cross-border Ips.

Implementation of EU rules on cross-border IPs

2019



2020



- IPs without IAs
- IPs with IAs prepared, but not yet agreed / signed
- IPs with IA signed and applied already now / from 1 Jan 2020
- VIP

Isaccea 1 – signed;
 Tekovo, Isaccea 2-3, Isaccea (Romania) – IA to be signed after commercial GMS issue solving.

Dual system applied in Ukraine – “new IPs” are functioning under the EU rules, while historic routes are blocked from the market by Naftogaz-Gazprom legacy contract.

The same business rules are applied everywhere on Ukraine – EU, Ukraine – Moldova, Ukraine – RF borders. Any shipper can sign a contract with us and have access to the capacities of the interconnection points under standard rules.

Capacity allocation auctions

**Auction platforms introduced: [RBP](#) (Hungary)
and [GSA](#) (Poland)**

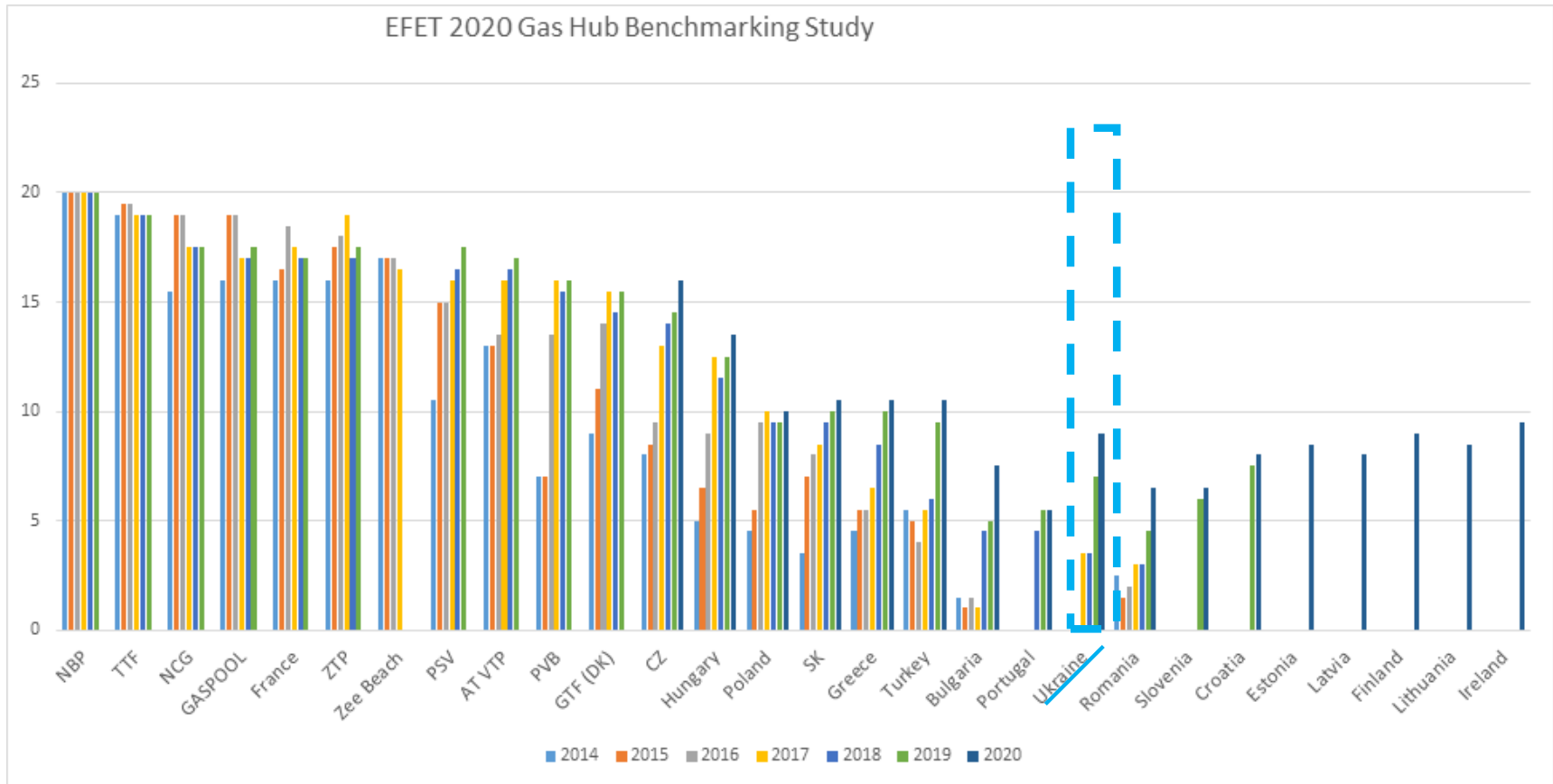
Capacity for 2020-2021 and following gas years at all interconnection points are allocated by means of auction procedure, except for interruptible capacity for within-day period and capacity with restrictions (shorthaul).



Gas TSO of Ukraine LLC provided the following for network users:

- Free registration and using platforms;
- Ukrainian language of the interface and accompanying documents;
- Adapted registration and access procedure;
- Comprehensive information supporting;
- Transparency of public information.

EFET 2020 Gas Hub Benchmarking Study

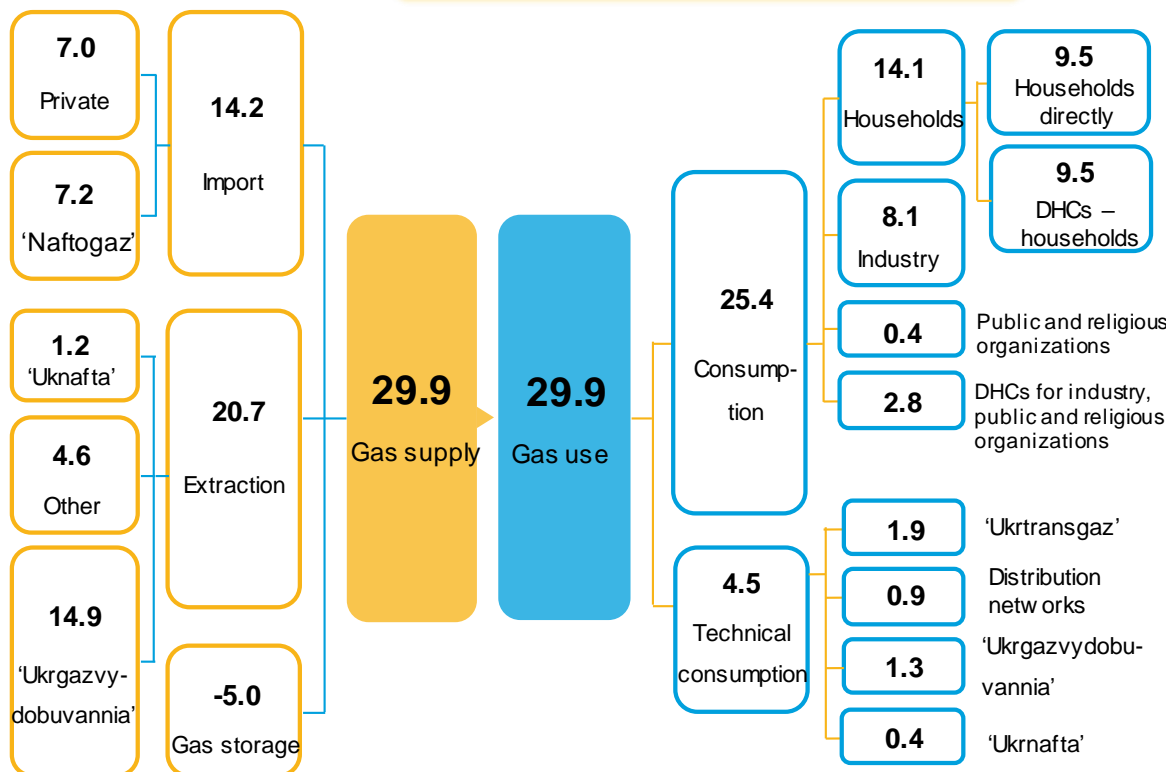


UA gas market overview

Key features on the Ukrainian gas market in 2020

- The number of **active gas suppliers** in 2020 is **249**.
- The PSO Regulation has expired on 01.08.2020, which means that household consumers can freely choose their natural gas suppliers according to market principles.
- Total **natural gas traded** on Ukrainian VTP is **53,3 bcm**.
- Total **natural gas consumption** in Ukraine is **25,4 bcm**.
- **Churn rate** is 2,1.

Ukrainian Gas market overview in 2019



New transparency platform of UATSO to come

Cross-border IPs and UGSs

Multiple IPs

Entry, Exit



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Latest refresh

Interconnection point

Search

- Select all
- Cross-border points
- Gas storage facilities

Direction

- Entry
- Exit

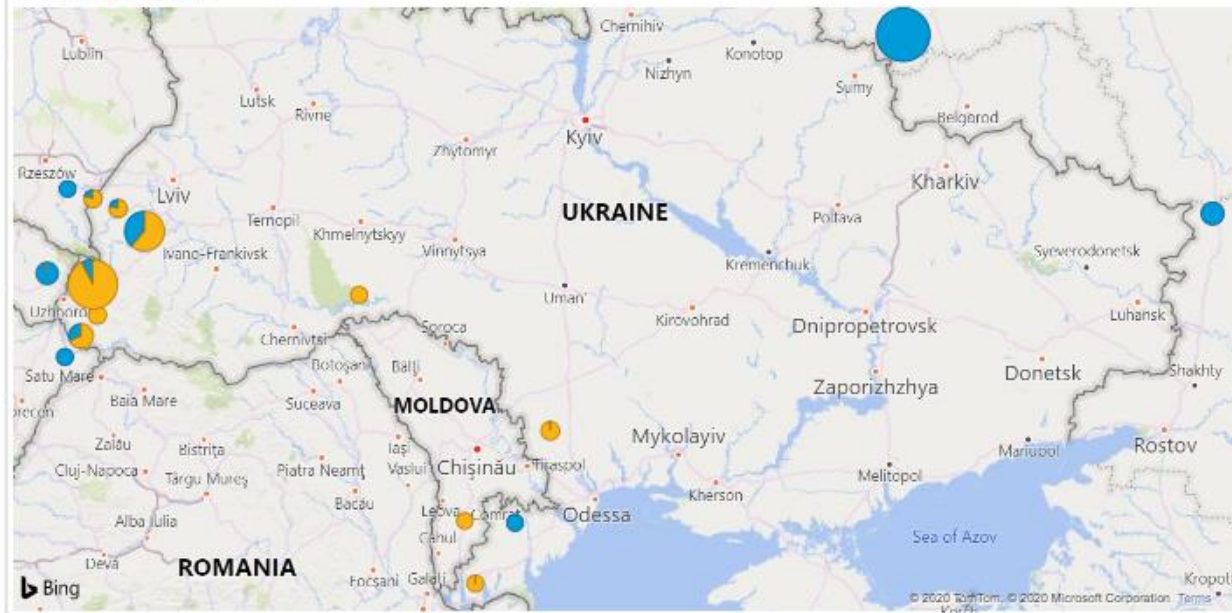
Period

- Select all
- 2020
 - Jan
 - Feb
 - Mar
 - Apr
 - May
 - Jun
 - Jul

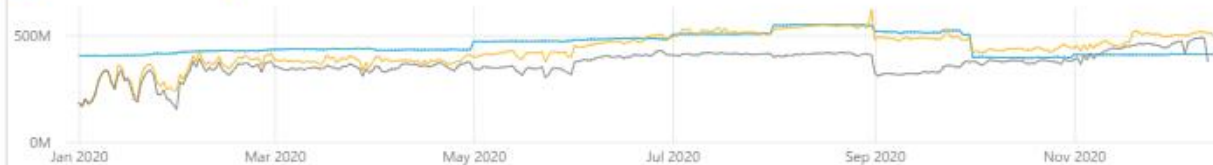
Date

1/1/2020 12/14/2020

Direction ● Entry ● Exit



● Booked capacity, mcm/d ● Allocation, mcm ● Physical flow, mcm



Entry

Booked capacity

85,393.0
mcm/d

Allocation

80,388.4
mcm

Physical flow

68,058.4
mcm

Exit

Booked capacity

73,438.6
mcm/d

Allocation

71,093.6
mcm

Physical flow

59,076.3
mcm

New transparency platform of UATSO to come

Cross-border points



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Latest refresh

Interconnection point

Search

- Select all
- Hungary
- Moldova
- Poland
- Romania
- Russia
- Slovakia

Period

- Select all
- 2020
 - Jan
 - Feb
 - Mar
 - Apr
 - May
 - Jun
 - Jul
 - Aug
 - Sep
 - Oct
 - Nov
 - Dec

Date

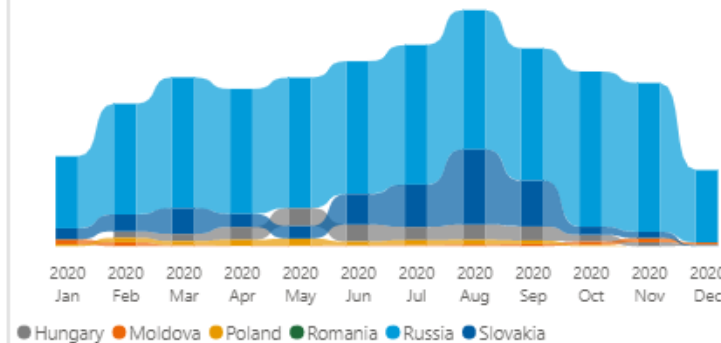
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Cross-border entry IPs



Cross-border entry IPs



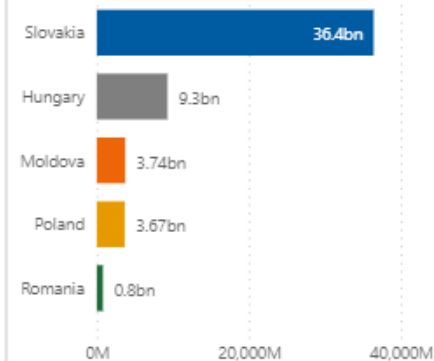
Entry

69,505.3
mcm
incl. cust. warehouse

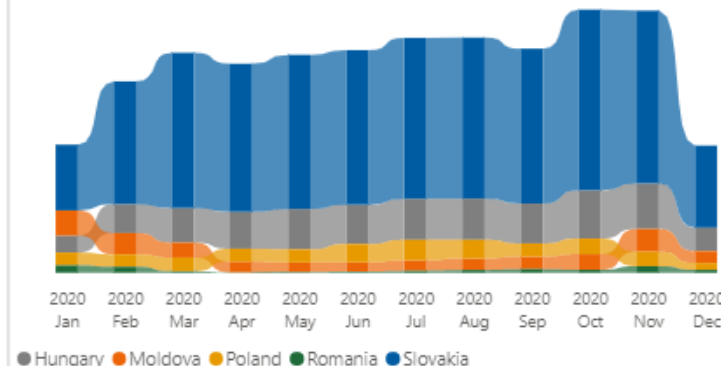
10,195.6
mcm
incl. shorthaul

6,147.6
mcm

Cross-border exit IPs



Cross-border exit IPs



Exit

53,908.6
mcm
incl. cust. warehouse

257.7
mcm
incl. shorthaul

121.3
mcm

**Thank you
for attention!**

Andrii Prokofiev

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